



Los Angeles County Department of Regional Planning

Planning for the Challenges Ahead



Richard J. Bruckner
Director

April 30, 2014

TO: Esther L. Valadez, Chair
Laura Shell, Vice Chair
David W. Louie, Commissioner
Curt Pedersen, Commissioner
Pat Modugno, Commissioner

FROM: Kevin Finkel
Special Projects Section

**SUBJECT: Project No. TR071735
Vesting Tentative Tract Map No. TR071735
Conditional Use Permit No. 201100122
Parking Permit No. 201100005
Environmental Assessment No. 201100192
RPC Meeting: April 30, 2014
Agenda Item: 6**

Attached please find modified conditions for the conditional use permit as recommended by staff and a revised motion for the above-referenced item for your consideration. Additionally, please find correspondence that was received subsequent to hearing package submittal to the Regional Planning Commission.

If you need further information, please contact Kevin Finkel at (213) 974-6422 or kfinkel@planning.lacounty.gov. Department office hours are Monday through Thursday from 7:00 a.m. to 6:00 p.m. The Department is closed on Fridays.

SZD:KAF

Enclosure(s):
Modified Conditions and Revised Motion as Suggested by Staff
Letter from John Ellis
Letter from Pepperdine University
Letter from Dr. James Baird
Letter from Unite Here Local 11
Letters from the Applicant

Modified CUP Conditions and Suggested Motions

Modified CUP Conditions

2. This grant shall not be effective for any purpose until the permittee, and the owner of the subject property if other than the permittee, have filed at the office of the Los Angeles County ("County") Department of Regional Planning ("Regional Planning") an affidavit stating the permittee and/or owner is aware of and agrees to accept all of the conditions of this grant, and that the conditions of the grant have been recorded as required by Condition No. 7, and until all required monies have been paid pursuant to Condition Nos. 9, 10, and 13. Notwithstanding the foregoing, this Condition No. 2 and Condition Nos. 4, 5, 8, and 13 shall be effective immediately upon the date of final approval of this grant by the County.
27. Excluding outdoor events, all conferences and events that include accessory live entertainment occurring at the Malibu Institute facility and clubhouse shall be allowed to occur from 10:00 a.m. to 12:00 a.m. seven days a week.
28. Notwithstanding the provisions of condition 27 above, all outdoor events including accessory live entertainment occurring at the Malibu Institute facility shall be allowed to occur seven days a week from 10:00 a.m. to 10:00 p.m. Additionally, all lighting shall comply with Condition 26, and all amplified and live music shall cease after sunset.
31. The permittee shall be required to comply with the following bungalow-specific conditions:
 - a. The permittee shall be required to rent out each bungalow as a single unit. None of the individual rooms within a bungalow may be rented separately but the guest(s) may pay individually. Further, none of the rooms within the bungalow structures shall be allowed to be keyed independently of the main access door to each of the bungalows; however, each room may have a one-sided internal locking device.
 - b. The on-site manager shall have duplicate keys to the bungalows and all one-sided internal locking devices available at all times for emergency service personnel.
 - c. The bungalows shall not be rented for more than the number of persons designated by the facility management based upon the number of occupants indicated on the registry card.
 - d. The bungalows shall not be rented for a lesser period than the equivalent of one night's stay and the maximum length of stay shall be 29 consecutive days. The permittee shall keep a log indicating the name of the guests and their length of stay. Said log shall be made available upon request for inspection by the staff of the Department of Regional Planning.
 - e. The bungalows shall be operated in manner such that the units will be occupied and rented on a temporary basis and no rental units shall be permitted consistent with Section 8.52.020 of the County Code.
 - f. At the time of registration, guests shall be required to present a driver's license or photo identification in accordance with posted rules and regulations governing operation of a hotel.

- g. The permittee shall maintain current registration or license with the Los Angeles County Treasure and Tax Collector.
 - h. The permittee shall install a video camera(s) at the registration desk. The footage shall be kept for at least a two-week period and shall be made available to the sheriff if requested.
 - i. A copy of these conditions shall be kept in the facility management office and shall be made available to all enforcement personnel upon request.
33. This grant allows for the continued operation and maintenance of the existing golf course and appurtenant uses and structures subject to the following:
- a. Golf tournaments shall be limited to those sponsored by charitable organizations, educational institutions, and corporations (or similar organizations) and shall not provide seating facilities or viewing galleries or other structures for such purpose within the golf course for spectators.
- # Scheduled events that occur simultaneously at the golf course clubhouse and the Malibu Institute conference facility with an aggregate total over 500 attendees shall be required to obtain a Temporary Use Permit pursuant to Title 22 and shall comply with all applicable provisions therein. In no event shall the aggregate total number of attendees at scheduled events occurring simultaneously exceed 600 persons. In addition, scheduled individual events excluding tournaments taking place on the golf course with over 200 expected attendees, which do not include on-site lodging as part of the registration, shall be limited to 12 per year. The permittee shall keep a log indicating the date and time of such event(s) and noting the number of expected attendees. Said log shall be made available upon request for inspection by the staff of the Department of Regional Planning. The permittee shall provide adequate on-site parking for such events at the subject property, either on-site or on adjoining property owned by the permittee.
- # Excluding tournaments taking place on the golf course, scheduled events held exclusively outdoors such as, but not limited to, banquets and weddings, with over 320 attendees shall be limited to 12 per year and 4 per month on the subject property. The permittee shall keep a log indicating the date and time of such event(s) and noting the number of expected attendees. Said log shall be made available upon request for inspection by the staff of the Department of Regional Planning.
- # Prior to the issuance of the certificate of occupancy for the Malibu Institute building, the permittee shall prepare and submit an event management plan detailing how the applicant will manage emergency evacuation, traffic, and parking for any event(s) occurring on-site where expected attendance would exceed 320 persons to the satisfaction of the Director of the Department of Regional Planning in consultation with the Departments of Public Works, Fire, and Sheriffs, as needed. The applicant shall be allowed to submit to the Director of the Department of Regional Planning revisions to the event management plan as the need arises.
- # Prior to the issuance of a building permit for any habitable structure, the permittee shall provide evidence to the satisfaction of the Director of the Department of Regional Planning that the

ownership of 450 acres of open space has been conveyed to a conservation group or other acceptable agency/entity.

Modified Motions for Consideration

SUGGESTED APPROVAL MOTIONS

"I MOVE THAT THE REGIONAL PLANNING COMMISSION CLOSE THE PUBLIC HEARING AND CERTIFY THE FINAL ENVIRONMENTAL IMPACT REPORT ALONG WITH THE REQUIRED FINDINGS OF FACT AND ADOPT THE MITIGATION MONITORING AND REPORTING PROGRAM FOR THE PROJECT."

"I MOVE THAT THE REGIONAL PLANNING COMMISSION APPROVE VESETING TENTATIVE TRACT MAP NO. TR071735, CONDITIONAL USE PERMIT NO. 201100122, AND PARKING PERMIT NO. 201100005 WITH THE ATTACHED FINDINGS AND CONDITIONS AS MODIFIED IN ACCORDANCE WITH STAFF'S SUGGESTIONS."

From: [Ellis, John](#)
To: [Kevin Finkel](#)
Cc: ["James Austin"](#)
Subject: FW: Letter of opposition
Date: Friday, April 25, 2014 10:24:41 AM
Attachments: [Letter.doc](#)
[ATT00001.htm](#)
[tr071735_project-summary.pdf](#)
[ATT00002.htm](#)

Mr. Finkel,

I have been a member of Malibu Golf Club for several years, and I would like to add my support for the issues raised in Dr. Austin's letter of opposition to the Malibu Institute Project.

Please feel free to contact me about this matter by reply to this email or at my office telephone number, (213)244-2978.

Thank you.

John Ellis
9335 Sierra Mar Drive
Los Angeles, CA 90069

From: James Austin [mailto:jfainstitute@gmail.com]
Sent: Sunday, April 20, 2014 4:17 PM
To: Ellis, John
Cc: Baird, Steven L. - Gas Acq
Subject: Re: Letter of opposition

Here is the revised letter. Also I am attaching the two page summary from LA Regional - the contact person is Steve Finkel - you can email him a letter of opposition to him at kfinkel@planning.lacounty.gov.

James Austin, Ph.D.
President, JFA Institute

P. 310-867-0569
jfainstitute@gmail.com

Washington DC Office
5 Walter Houp Ct., NE
Washington, DC 20002

California Office
2540 Cayman Road
Malibu, CA 90265

This email originated outside of Sempra Energy. Be cautious of attachments, web links, or requests for information.

PEPPERDINE UNIVERSITY

GOVERNMENTAL AND REGULATORY AFFAIRS

Submitted electronically to sdea@planning.lacounty.gov

April 28, 2014

Chair Esther Valadez & Commissioners
County of Los Angeles Regional Planning Commission
320 West Temple Street
Los Angeles, California 90012

**Re: Pepperdine University's Comments on the Malibu Institute Project,
Conditional Use Permit No. 201100122**

Honorable Chair Valdez and Commissioners:

I am providing the following comments on behalf of Pepperdine University for the proposed Malibu Institute Project (the "Project") at the Malibu Golf Club (the "Golf Club"). Pepperdine University has spent many years utilizing the Malibu Golf Club facilities and property to enhance our educational and athletic programs. The improvements proposed for the Project will further enhance Pepperdine's continued use of the Golf Club. Further, we applaud the Golf Club's commitment to sustainable design and development envisioned by the Malibu Institute Project along with the effort to more seamlessly integrate the course into the surrounding Santa Monica Mountains.

Educational Connection

For over 20 years, Pepperdine University students, alumni, and faculty have utilized the Malibu Golf Club property for research and education including publication of papers with data collected on-site, undergraduate and alumni research internships, and class visits. Of great interest to the Pepperdine Biology department is the watershed that originates on the Malibu Golf Club property. Trancas Creek, which runs through the property, was largely undergrounded during construction of the golf course by prior ownership in the 1970s. This same prior ownership also introduced a host of non-native vertebrate species. These actions have caused profound, detrimental impacts to native species on and surrounding the golf course. With the complete cooperation of the current ownership and even encouragement of the Malibu Golf Club, Pepperdine students and alumni, under the direction of faculty, have worked to remove these non-native species and to facilitate the proliferation of the native species including a rare population of Western Pond Turtle. Once removal of the non-native species is complete as proposed by the Project, Pepperdine will have a rare scientific ability to compare 20 years of 'before' and 'after' data. It is anticipated that this will result in further publications, research projects, and educational opportunities for Pepperdine Biology classes.

Use of Facilities

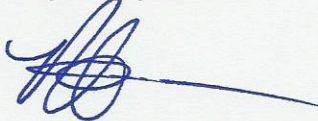
Many Pepperdine University departments utilize the Golf Club facilities and will continue to do so assuming Project implementation. Pepperdine's Women's Golf Team practices regularly at the Golf Club and includes this course in their regular rotation. Other Athletics' teams regularly use the course for events including the Annual Men's Volleyball Team's Golf Tournament. Other regular events held at the Malibu Golf Club include the annual Student Ambassador's Banquet and the annual Alumni Affairs Banquet, both of which have been held at the Golf Club for the past several years.

Sustainability Enhancements

The Project has clearly put sustainable design at the forefront of their development decisions. In addition to seeking LEED Platinum certification from the United States Green Building Council, project highlights include a comprehensive recycling program, green roofs, a photovoltaic array that is estimated to produce 2/3 of the Golf Club's energy needs, and conservation of over 30% of current potable water demands. Moreover, consistent with the research conducted by Pepperdine Biology students, alumni, and faculty, the Project will daylight many of the flows within the watershed that were placed in underground culverts in the 1970s resulting in a significant improvement to on- and off-site ecology. Finally, the Project will reduce the developed area, dedicating over 450 acres as open space, and with the exception of the turf grass necessary for the golf course itself, will replace most non-native vegetation and landscaping with natives within the remaining developed area. This will better integrate the golf course into the surrounding environment and likely improve the function of the ecosystem.

Pepperdine University appreciates the opportunity to provide these comments to the Regional Planning Commission. Please let us know if we can provide any additional information.

Very truly yours,



Rhiannon L. Bailard
Associate Vice President

Cc: Richard Bruckner, Director, Los Angeles County Department of Regional Planning
Sam Dea, Supervising Regional Planner, Los Angeles County Department of Regional Planning

DATE: April 17, 2014

TO: Los Angeles Department of Regional Planning

FROM: James H. Baird, Ph.D, Turfgrass Specialist 

RE: The Malibu Institute Project; Plant Species Recommendations for Renovation of Golf Course

The Malibu Institute project will remodel and renovate the existing, public, 18-hole golf course at the Malibu Golf Club. The project will reduce golf course turf from the current 85-90 acres to 65 acres and replace a variety of turfgrass species (kikuyugrass, perennial ryegrass, annual bluegrass) and numerous weeds with two turfgrass species that offer the best combination of reduced use of fertilizers, pesticides and irrigation and optimum playing conditions and traffic tolerance for 35,000 to 40,000 annual rounds of public golf.

Turfgrasses are defined as grasses that form a contiguous or connecting groundcover and tolerate persistent mowing and traffic. Turfgrasses also possess the density, verdure (leaf area remaining after mowing), and recuperative capacity that are integral to the game of golf to support lie and roll of the golf ball as well as recovery following divots, ball marks, and wear caused by foot and vehicular traffic. The turfgrass species best adapted for a renovated golf course in Malibu, California are creeping bentgrass (*Agrostis stolonifera*) for putting greens and hybrid bermudagrass (*Cynodon dactylon* x *C. transvaalensis*) for tees, fairways, and rough. Creeping bentgrass is a cool-season species that will thrive in a cooler, marine climate and provide superior density, recovery from wear, and putting quality at mowing heights below 0.1 inches. Maintained as a putting surface, this species will not flower and thus potential for spread by seed is practically 0%. Overall, the potential for spread of bentgrass outside the golf course is negligible. Hybrid bermudagrass is a warm-season species that possesses the best overall combination of heat/drought/salinity tolerance and recuperative potential. In addition, it provides a superior playing surface for golf at mowing heights ranging from tees to fairways to rough. Interspecific hybrid bermudagrasses are sterile, so there is no threat of spread by seed. Although creeping bentgrass and hybrid bermudagrass are not "native" to California, they represent the very best of turfgrass breeding efforts in California and abroad over the past 100 years aimed at developing the highest quality turf for golf courses and other turf areas with the lowest requirements for fertilizer, pesticides, and irrigation.

The ERB recommended three species for the renovated golf course: white yarrow (*Achillea millefolium*); saltgrass (*Distichlis spicata* ssp. *spicata*); and clustered field sedge (*Carex praegracilis*). While these species are considered "native" to California, they are significantly inferior to either bentgrass or bermudagrass in terms of playability for the game of golf. None of these species can be used on putting greens.

Saltgrass breeding and development as a turfgrass is still in its infancy (over the past 10 or so years) and our turf industry is still at least five years away from release of an improved turfgrass cultivar. Existing cultivars are either single clones or source-collected seed from open pollination, and their density is not suitable for daily golf course traffic and playability. Establishment of saltgrass is slow, especially in a cool, marine environment. Commercial sod is not available to surface all or even some of the golf course with this species; thus, complete establishment of saltgrass from seed would likely take two or more years in Malibu. Saltgrass also possesses an expansive rhizome system, which could lead to invasiveness into adjacent areas.

Yarrow is a common weed (i.e., plant out of place) in turf and agricultural crops. While it may tolerate mowing at a lawn height of cut (2 to 3 inches), it would not survive at lower mowing heights that are typical for golf course greens, tees, and fairways. Furthermore, its shoot architecture (i.e., density) would not support the lie of a golf ball. As a result, golfers would have difficulty locating their golf balls let alone hitting them. Like yarrow, sedges are common weeds in turf and agricultural crops. The only practical use of clustered field sedge would be in golf course rough due to a clumpy growth habit and taller mowing height requirement. Even then, finding and advancing a golf ball in a stand of this species would be extremely challenging for all golfers. There is little or no scientific research on fertilizer, pesticide, and irrigation requirements of yarrow and sedge. On the other hand, requirements of bentgrass and bermudagrass have been thoroughly studied and documented. I do not believe that use of saltgrass, yarrow, or clustered field sedge will reduce fertilizer, pesticide, or water use compared to bentgrass and hybrid bermudagrass in a golf course environment where lowing mowing heights and intensive traffic exist. It is common knowledge that lowering height of cut (removing shoot tissue) comes at the expense of the underlying root system. The aforementioned turfgrasses have been developed to maintain deeper root systems despite low mowing and traffic. The "native" species do not possess similar traits and will require more inputs to offset stresses of mowing and traffic. Once again, the three recommended species could not match the low mowing height requirement on putting greens compared to creeping bentgrass, which will comprise less than three acres of the entire golf course.

Perhaps a useful location for the "native" plant materials (saltgrass, yarrow, and field sedge) would be the extensive network of bioswales throughout the new course. They could act as a biofilter for surface water and add definition and framing to the layout.

In summary, I recommend the renovated golf course use creeping bentgrass on putting greens and hybrid bermudagrass on tees, fairways, and rough for optimal playing conditions, preservation of the land, and conservation of resources.



College of Natural and Agricultural Sciences
UC Division of Agriculture and Natural Resources
Agricultural Experiment Station and Cooperative Extension

Department of Botany and Plant Sciences-072
Riverside, CA 92521-0124

UNITE HERE! *Local 11*

464 Lucas Ave., Suite 201 • Los Angeles, California 90017 • (213) 481-8530 • FAX (213) 481-0352

April 29, 2014

Chair Esther Valadez
Commissioner Laura Shell
Commissioner David Louie
Commissioner Curt Pedersen
City Planner Kevin Finkel
LA County Department of Regional Planning
320 West Temple Street
Los Angeles, CA 90012

Re: The Malibu Institute, Project No. TR071735-(3) VTTM No. 071735

Honorable Chair Valadez and Honorable Commissioners:

On behalf of the 17,000 hospitality and food service members that UNITE HERE Local 11 represents in Los Angeles and Orange County, we write to express concern that the Malibu Institute's proposed plans are inconsistent with existing and proposed land use plans for the area since intensive commercial overnight accommodations are intended to be located in commercial areas adjacent to the 101.

Furthermore, we are concerned the Project's plans and Environmental Impact Report (EIR) do not adequately address the issue of access in the Santa Monica Malibu Mountains Region. A project does not provide "access" in the truest sense of the land use plan or Coastal Act if that project is not accessible to persons of low and moderate income. It is our duty to ensure that all of California's public resources remain accessible for our members.

As experts in the hospitality industry, we believe that this project is a resort and conference center. We are concerned that the proposed plans and EIR use the terms "educational retreat," "bungalows," and "overnight accommodations" seemingly to suggest that this is not a resort. This proposed resort will have a conference facility and clubhouse with alcohol and live a music, and will have a total of 160 rooms to serve up to 320 guests. The clubhouse will have both a lounge and a restaurant—characterized by the [Project's website as "fine dining."](#) The plans also include a fitness/wellness center and a pool. There are no detailed plans revealed for the fitness/wellness/pool part of the Project; however, it is worth questioning if the same understated language is being used here to describe what might be a luxury spa and/or cabana pool.

Specifically, we are concerned that:

I. The Project is inconsistent with the recently approved Santa Monica Mountains Land Use Plan.

The recently approved [Santa Monica Mountains Land Use Plan](#) provides:

The land use designations, and development standards combined with the biological resources, topography and limited infrastructures in the Santa Monica Mountains significantly restricts new overnight accommodations with the exception of low impact facilities such as; bed and breakfast facilities, rural-inns, and accommodations for

camping. Motels and more intensive commercial overnight accommodations are being provided in commercial areas adjacent to the 101 freeway, in nearby Santa Monica and in communities that have appropriate land use patterns, are easily accessible and have infrastructure. Proposed Land Use Plan at pg. 53.

We question if a resort and conference center is a low impact facility appropriate for development in the Santa Monica Mountains.

II. This proposed project does not provide access to a large segment of the population who will be priced out of its “public” amenities.

The Project’s plans do not include any information on pricing. The fact that the proposed Project is touted as public does not mean that most members of the public will actually be able to access the amenities there. Even if the existing amenities are considered affordable today (though a [\\$14 hamburger](#) at Malibu & Vine suggests otherwise), it is likely that all costs will increase once the Developer must recoup investment and development costs.

The existing and proposed land use plans and Coastal Act strongly encourage affordable accommodations in order to provide access for persons of low and moderate income. This economic group makes up a majority of our population including the hikers and other recreational enthusiasts thought to benefit from the visitor-serving amenities of this project. Just as recently as April 2014, the California Coastal Commission [denied a permit](#) for a hotel project due to a lack of affordable visitor-serving overnight accommodations.

We ask that the Regional Planning Commission delay acting on these entitlements until the Applicant submits evidence that this resort and conference center will be accessible to persons of low and moderate income or otherwise shows proof of mitigating the impact on access for persons of low and moderate income.

Thank you in advance for your attention to this matter. If you have any questions or concerns please contact Melanie Luthern at mluthern@unitehere11.org or (213) 481-8530 ext. 240.

Sincerely,

Melanie Luthern

Malibu Associates, LLC

Corporate Office:
2400 Wyandotte Street, Suite B-102
Mountain View, CA 94043
650-941-7514

April 29, 2014

Chair Esther Valadez
Commissioner Laura Shell
Commissioner David Louie
Commissioner Curt Pederson
Commissioner Pat Modugno
County of Los Angeles Regional Planning Commission
320 West Temple Street
Los Angeles, California 90012

Re: The Malibu Institute, Project No. TR071735-(3); VTTM No. 071735

Honorable Chair Valadez and Honorable Commissioners:

On behalf of Malibu Associates, LLC, the Applicant for the Malibu Institute project, we respond to the April 14, 2014 letter in opposition to the project from Mr. James Austin and subsequent emails from Mr. John Ellis and Mr. Steve Baird supporting Mr. Austin's letter. For ease of reference, Mr. Austin's comments are in italics followed by our indented response.

Opening Comment:

I am writing this letter to voice my strong opposition to the proposed plan to close the current Malibu Golf Club for several years and have it be transformed into a mega (approximately 201,225 additional square feet of new structures) resort conference center (with a Helicopter Pad) for so-called educational purposes. In particular, 40 "bungalows" ranging from 2,610 square feet to 5,310 square feet of floor space would be constructed on what is now the course's magnificent opening first hole. A 48,164 square foot "conference center" would also be imposed on the pristine site that was developed by the renowned golf course designer William F. Bell in 1976.

I have been a member of the Malibu Golf Club for several years. I have also reviewed the submitted DEIR (volumes 1-3) and the December 9, 1999 Conditional Use Permit (CUP). The basis for my opposition is as follows:

Response:

The Project will not develop a "mega-resort". The Project site consists of approximately 650 acres with 224,760 square feet of proposed visitor-serving development to be located on approximately 20 acres in the southern portion of the Project site in areas previously

disturbed or developed by the existing golf course. The proposed square footage is only 5% of the Floor Area Ratio (FAR) allowed under the 2014 Santa Monica Mountains Local Coastal Program for the areas of the site designated as "Commercial Recreation". By clustering development in the southern portion of the Project site, the Project will dedicate over 450 acres as permanent open space, thereby preserving the vast majority of the Project site as natural habitat. The Project balances the need for visitor-serving conference and educational retreat facilities and an economically sustainable public access golf course with protection of the surrounding environment. The Project will allow the continuation of the only public access golf course in the Santa Monica Mountains.

A helipad already exists on the Project site. The Project will move the helipad to a location preferred and approved by the Los Angeles County Fire Department for use only for public health and safety.

As discussed in the Draft EIR, the areas of the Project site containing the golf course are not "pristine". The golf course has negatively impacted the surrounding environment due to its poor design and construction practices used in the 1970s. For example, during construction of the golf course in the 1970s, the sections of Trancas Creek through the golf course were placed in underground culverts and almost 2,000 non-native trees were planted throughout the golf course. The Project will correct these conditions and improve water quality exiting the site to Trancas Creek. Furthermore, the Project will reduce the consumption of potable water by approximately 32%.

As discussed in Section 6.0, Alternatives, of the Draft EIR, the existing golf course desperately needs renovations to improve and protect the surrounding environment and allow the continuation of the only public access golf course in the Santa Monica Mountains in a financially viable manner. To make these improvements, the existing golf course will close during construction of the Project. The renovation of the golf course and construction of the new supporting facilities will take approximately 24 months to complete after the issuance of all required permits.

The Malibu Golf Club is operated as a public access daily fee golf course. Mr. Austin indicates he has been a "member" of the Malibu Golf Club for several years. The previous owners of the golf club established a program many years ago wherein a golfer could purchase an "annual membership" pre-paying green fees at a substantial discount and obtaining the ability to book tee times fourteen days in advance compared to seven days by the general public. The flat annual fee entitles the golfer to unlimited play seven days per week. The "members" were given locker privileges. There are no monthly dues or other fees paid by the member, and the membership may be renewed or terminated annually by the ownership. The Applicant has continued this program since acquiring the golf club in 2006. Currently, there are approximately 47 golfers who have renewed for 2014. Mr. Austin, Mr. Ellis and Mr. Baird have purchased annual memberships.

Comment 1:

Converting the course to a hotel resort and so-called "sports oriented educational retreat" is inconsistent and violates the intent of the 1999 CUP that allowed a golf course (not a resort hotel) to remain open. It's clear that the current owners are trying to allow for the construction of a 300 plus bed capacity resort hotel/restaurant by constructing 40 two-story "bungalows" on the first hole. The 1999 CUP clearly negated the ability to construct any residential homes on

the or near the course. The plan to construct "bungalows" is clearly an effort to circumvent the restriction of residences of any kind on the site.

Response 1:

The Project's renovated golf course will continue to be a public access daily-fee golf course. As discussed in the Draft EIR and as required by the conditions of approval, the bungalows will provide visitor-serving overnight accommodations with a maximum occupancy of 320 guests and will not be private residences.

Comment 2:

Although the EIR refers to an affiliation with the University of Southern California there is no official letter in the EIR that verifies USC's intent or its financial support for the project. Such an affiliation needs to be verified prior to the CUP being modified and approved.

Response 2:

The Memorandum of Understanding between the Applicant and USC demonstrates USC's affiliation with and support for the Project. Please also refer to Comment Letter 7 in the Final EIR. Furthermore, as a condition of approval, the Project will be required to be affiliated with an educational institution of higher learning such as USC, UCLA and Pepperdine.

Comment 3:

The massive nature of the project is not proportional to the needs or interests of local residents as required in the most recent CUP dated December 9, 1999. The area already is increasingly clogged with events held at Calamigos Ranch, the Semler Malibu Estates winery, weekend bicycle and motor cycle tours that have increased the risk of accidents, serious injuries and even deaths. Adding a 300-400 per day and night time use capacity conference center plus another 150-200 per day golfers for the alleged educational purposes will only serve to add the increased traffic and risks on Kanan Dume Road, Mulholland Drive, and the various road that now feed into the golf course.

Response 3:

As discussed in the Draft EIR, the Project will have a less than significant impact on traffic and access. Indeed, one of the purposes of the bungalows is to have visitors stay on site once they arrive for events to decrease traffic on surrounding roadways.

Comment 4:

The DEIR only addresses the impact of traffic congestion at PCH/Kanan Dume and 101/Kanan intersections. It acknowledges the project will produce an additional 998 ADTs, which will be mitigated by modifying the access ramps on the 101. But it fails to compute the impact on the increasing congested Kanan/Mulholland Drive intersection, which already is experiencing more frequent traffic and accidents.

Response 4:

As discussed in Section 5.13, Traffic and Access, of the Draft EIR, the Project's traffic study analyzed the potential impacts of the Project on many intersections, including the Kanan Road/Mulholland Drive intersection. As discussed in the Draft EIR, the Project

will have a less than significant impact on traffic at this intersection. The Applicant's contribution of the Project's fair share of the cost of improving the Kanan Road/101 Freeway access ramps will mitigate the Project's cumulative impact on that intersection.

Comment 5:

The Malibu Golf Club is the only golf course that is available to the residents of the greater Malibu area. Approving this plan will effectively eliminate access to the current course and golf for Malibu residents for many years to come and maybe forever. We have been told by the current owners that the course will close in September of this year. The owners have stated informally to various club members that it will re-open with [sic] two years. Due to the expected time required to secure approval from your agency plus the Coastal Commission, LA County Fire Department, and LA County, one can expect to [sic] that the time to even begin construction is several years in the future.

Response 5:

The Malibu Golf Club is a privately owned, public access golf course that is no longer financially viable as a stand-alone golf course. The club currently requires annual subsidies by the ownership group exceeding \$1,000,000 per year. As proposed and designed, the Project will ensure the long term viability, availability and access to the only public access golf course in the Santa Monica Mountains. The current timeline anticipates all required approvals by the end of the 2014 calendar year. Assuming the Project is approved as planned, the construction of the Project will take approximately 24 months to complete. The current course will not be closed until regulatory approvals for the Project have been received.

Comment 6:

There is no indication on how current users/members of the golf course will be able to continue to play golf at an affordable price should it ever reopen. In order for the owners to recoup their initial investment and the massive amount of funds required to complete the project, the now affordable green fees will have to rise significantly and rely upon over-night accommodation revenues. Thus the core mission will shift from a golf course to a resort/hotel/golf destination that will not serve the interests or needs of local residents.

Response 6:

As discussed in Section 6.0, Alternatives, of the Draft EIR, the Malibu Golf Club is a privately owned, public access golf course that is no longer financially viable as a stand-alone golf course. The club currently requires annual subsidies by the ownership group exceeding \$1,000,000 per year. The Project proposes an educational retreat and ancillary uses which will ensure the long term viability, availability and access to the only public access golf course in the Santa Monica Mountains. As discussed in the Draft EIR and conditions of approval, the public will continue to have access to the renovated golf course.

Comment 7:

The entities behind the project have recent histories of bankruptcies and mismanagement, which questions their ability or capacity to operate such a complex.

- a. *Shortly after purchasing the course in 2006 at an excessive price, they filed for bankruptcy in 2009.*
- b. *After extensive remodeling of the bar and restaurant, they soon closed.*
- c. *The snack bar is chronically short of various snack items for purchase.*
- d. *The bar when open was chronically out of beer, wine and food items.*
- e. *The golf carts have been plagued with numerous maintenance and battery charging problems.*
- f. *They forced the club members in 2013 to vacate and relocate their lockers for the purposes of creating an un-needed conference room.*

The applicant has demonstrated an inability to manage this course in a competent and profitable manner. They have had insufficient funds to even operate the current course in a professional manner. Their management and financial track record substantially increases the risk of the project never being completed and the course never re-opening.

This is a significant factor as the DEIR lists over 30 possible significant negative impacts of the project on the environment that must be mitigated by the applicant as construction is proceeding. Some examples are listed in Appendix A. Should the applicant start the process and fail to complete it in a timely manner, the destruction on the site and the environment would be devastating.

Prior to granting a modified CUP, I am asking that the applicant be required to submit the following documents:

1. *A time table for completion of the project, which will show the basis for the golf closure in September and when the course is likely to re-open.*
2. *The projected costs of the entire project;*
3. *Financial statements showing the amount of funds that have been secured to pay for the project;*
4. *The anticipated green fees for existing 100 plus club members once the course is re-opened.*
5. *A letter from USC showing the nature of its relationship to the Applicant and its expected financial contributions on an on-going basis.*

If the applicant is unable to produce such basic documents, it would indicate that the real objective [sic] to try to sell the project to another investor group rather than actually carry out the project. The Department of Regional Planning and local residents need to know the applicant's true intentions and resources.

Thank you for this opportunity to express my views on this important matter. I would urge the Department of Regional Planning to vote for Alternative 1 of the DEIR – No Project.

Response 7:

Please refer to responses above.

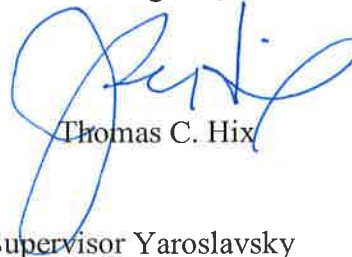
The Applicant placed the property in Chapter 11 Bankruptcy in 2009 after a lender, California National Bank, defaulted on its financial commitment to the Applicant. The lender was taken over by the FDIC and the loan then was transferred to U.S. Bank Corp. The Applicant and the new lender negotiated a settlement and withdrew from the Chapter

11 Bankruptcy without the need to file a Plan of Reorganization. The Applicant has the financial capacity to complete the Project and has conducted numerous market studies to confirm the financial viability of the Project. As typical for development projects, the County of Los Angeles will require financial commitments from the Applicant to ensure completion of construction prior to issuance of grading and building permits for the Project.

As stated above, the Malibu Golf Club is a privately owned, public access golf course that is no longer financially viable as a stand-alone golf course. The club currently requires annual subsidies by the Applicant exceeding \$1,000,000 per year. The Project proposes an educational retreat and ancillary uses to complement the golf course, which will ensure the long term viability, availability and access to the only public access golf course in the Santa Monica Mountains.

We respectfully request your approval of the Malibu Institute project, and look forward to continuing to work cooperatively with the County for decades to come. If you have any questions, please do not hesitate to contact me at (650) 941-7514.

Best regards,



Thomas C. Hix

cc: Mr. Ben Saltsman, Planning Deputy to Supervisor Yaroslavsky
Mr. Richard Bruckner, Director of Department of Regional Planning
Mr. Sam Dea, Department of Regional Planning
Mr. Kevin Finkel, Department of Regional Planning

Malibu Associates, LLC

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2400 Wyandotte Street, Suite B-102
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650-941-7514

April 29, 2014

Chair Esther Valadez
Commissioner Laura Shell
Commissioner David Louie
Commissioner Curt Pederson
Commissioner Pat Modugno
County of Los Angeles Regional Planning Commission
320 West Temple Street
Los Angeles, California 90012

Re: The Malibu Institute, Project No. TR071735-(3); VTTM No. 071735

Honorable Chair Valadez and Honorable Commissioners:

On behalf of Malibu Associates, LLC, the Applicant for the Malibu Institute project, we respond to the April 29, 2014 letter in opposition to the project from UNITE HERE! Local 11. For ease of reference, the comments of UNITE HERE! Local 11 are in italics followed by our indented response.

Opening Comment:

On behalf of the 17,000 hospitality and food service members that UNITE HERE Local 11 represents in Los Angeles and Orange County, we write to express concern that the Malibu Institute's proposed plans are inconsistent with existing and proposed land use plans for the area since intensive commercial overnight accommodations are intended to be located in commercial areas adjacent to the 101.

Furthermore, we are concerned the Project's plans and Environmental Impact Report (EIR) do not adequately address the issue of access in the Santa Monica Malibu Mountains Region. A project does not provide "access" in the truest sense of the land use plan or Coastal Act if that project is not accessible to persons of low and moderate income. It is our duty to ensure that all of California's public resources remain accessible for our members.

As experts in the hospitality industry, we believe that this project is a resort and conference center. We are concerned that the proposed plans and EIR use the terms "educational retreat," "bungalows," and "overnight accommodations" seemingly to suggest that this is not a resort. This proposed resort will have a conference facility and clubhouse with alcohol and live a music, and will have a total of 160 rooms to serve up to 320 guests. The clubhouse will have both a

lounge and a restaurant—characterized by the Project’s website as “fine dining.” The plans also include a fitness/wellness center and a pool. There are no detailed plans revealed for the fitness/wellness/pool part of the Project; however, it is worth questioning if the same understated language is being used here to describe what might be a luxury spa and/or cabana pool.

Specifically, we are concerned that:

Response:

As discussed in our April 16, 2014 letter to the Regional Planning Commission, the Project is consistent with the Malibu Land Use Plan and the recently certified Land Use Plan of the proposed Santa Monica Mountains Local Coastal Program. The Project will cluster development on approximately 20 acres in the southernmost portion of the 650-acre Project site, dedicating over 450 acres of open space, implementing numerous green measures to improve water quality, reduce water usage, and protect the surrounding environment, and improving public access to the Santa Monica Mountains Coastal Zone. Please refer to the 68-page analysis of the consistency of the Project with the Santa Monica Mountains Local Coastal Program, attached to our April 16, 2014 letter.

The Malibu Golf Club is a privately owned, public access golf course that is no longer financially viable as a stand-alone golf course. The club currently requires annual subsidies by the ownership group exceeding \$1,000,000 per year. As proposed and designed, the Project will ensure the long term viability, availability and public access to the only public access golf course in the Santa Monica Mountains. The Project’s restaurant, snack bar, and other amenities would serve the needs of overnight guests while also providing access to these facilities for the public, including hikers and bicycle riders using nearby trails or the proposed Class 3 bike lane between Mulholland Highway and Pacific Coast Highway.

Comment 1:

The Project is inconsistent with the recently approved Santa Monica Mountains Land Use Plan.

The recently approved Santa Monica Mountains Land Use Plan provides:

The land use designations, and development standards combined with the biological resources, topography and limited infrastructures in the Santa Monica Mountains significantly restricts new overnight accommodations with the exception of low impact facilities such as; bed and breakfast facilities, rural-inns, and accommodations for camping. Motels and more intensive commercial overnight accommodations are being provided in commercial areas adjacent to the 101 freeway, in nearby Santa Monica and in communities that have appropriate land use patterns, are easily accessible and have infrastructure. Proposed Land Use Plan at pg. 53.

We question if a resort and conference center is a low impact facility appropriate for development in the Santa Monica Mountains.

Response 1:

As discussed in our April 16, 2014 letter to the Regional Planning Commission, the Project is consistent with the Malibu Land Use Plan and the recently certified Land Use Plan of the proposed Santa Monica Mountains Local Coastal Program. The Project will

cluster development on approximately 20 acres in the southernmost portion of the 650-acre Project site, dedicating over 450 acres of open space, implementing numerous green measures to improve water quality, reduce water usage, and protect the surrounding environment, and improving public access to the Santa Monica Mountains Coastal Zone. Please refer to the 68-page analysis of the consistency of the Project with the Santa Monica Mountains Local Coastal Program, attached to our April 16, 2014 letter.

According to the Land Use Policy Map within the 2014 SMMLCP Land Use Element, the development area and golf course at the Project site is designated as Visitor-Serving Commercial Recreation-Limited (CR), while the areas located around the development area, which make up the majority of the Project site, are designated Rural Lands (RL20). The portion of the Project site located to the east of Clubhouse Drive from Encinal Canyon Road is designated Open Space (OS). The CR designation allows for the establishment of visitor-serving, resource-based commercial recreation uses characterized by large open space areas, limited building coverage, and minimal modification of the natural environment. The principal permitted use is low-intensity commercial establishments offering a variety of goods and services to visitors. Other permitted uses - consistent with all development standards - include restaurants, general stores, bed-and-breakfast facilities, hostels, public recreation areas and facilities, trails, low-intensity conference centers, and private commercial recreation including fish ponds, equestrian facilities, and club houses. Maximum land use intensity of 0.3 floor-area ratio (FAR).

The Project would be consistent with the low-intensity development mandate of the 2014 SMMLCP. The Project would create a project far below the maximum allowable density. The portion of the site designated Commercial Recreation in the 2014 SMMLCP, which consists of approximately 330.5 acres of the 650-acre site, could be developed at a maximum land use intensity of 0.3 FAR (Floor to Area Ratio). However, the Project would create just 224,760 square feet of development, which would be a FAR of under .016, which is only 5% the 4,318,974 square feet of development allowed under the 2014 SMMLCP.

Allowing building development of 224,760 square feet on 20 acres within the larger 650-acre property (approximately 0.3% of the total Project site) would balance the need for conference and educational retreat facilities and economic sustainability and growth in the County with protection of the surrounding rural environment. It would allow clustered development in the southern portion of the Project site, an area which is highly disturbed from its natural state and adjacent to the Encinal Canyon Road, while maintaining the rural nature of the remaining portions of the Project site.

The majority of the remaining areas of the Project site is designated as RL20 (Rural Land). The RL20 designation allows for low-impact single-family homes and other sensitively located uses, such as retreats, monasteries, public recreation areas and facilities, trails, campgrounds, tent camps, bed-and-breakfast facilities, public and local-serving private schools, water tanks, and telecommunications facilities. The 2014 SMMLCP Land Use Element refers to the underlying zoning designation for specific allowable uses and development standards within this land use designation. This entire area, as well as the portion designated as Open Space, consisting of approximately 450 acres would be permanently dedicated as open space.

Consistent with Policy LU-43, the Project would incorporate native, drought-tolerant landscaping, replacing most of the existing ornamental non-native landscaping at the Malibu Golf Club, and would remove 1,590 non-native trees (palms, eucalyptus, pines)

relocate some non-native pine trees, and plant native oak and sycamore trees at the Project site. Over 50% of the non-native trees at the Project site would be removed. All new trees planted at the site would be native California trees. The Project also would include removal of all septic tanks throughout the Project site with the exception of the septic tank serving the caretaker's house in the northern portion of the Project site, and would install a wastewater treatment system with effluent meeting Title 22 standards for reuse as irrigation for the remodeled golf course. The remodeled 18-hole golf course would use a "smart" irrigation system, which would use 32% less water than the existing golf course.

As indicated above, the 2014 SMMLCP Land Use Element includes policies to preserve public health, safety, and welfare; preserve and protect significant environmental resources; recognize and avoid natural hazards; enhance recreational opportunities; protect the integrity of existing rural communities; and protect the unique cultural and social characteristics of the region's rural residential communities, including equestrian activities. The Project meet these policy objectives through the creation of an institute use which is sensitive to the surrounding environment and rural characteristics of the area, while also improving the environment and recreational activities in the Santa Monica Mountains.

Rather than proposing residential estate development on each of these parcels, which would require removal of ESHA and SERA for not only the development of the separate, individual residential estates, but also larger fuel modification buffers, the Project would develop a retreat, with buildings clustered on just 20 previously disturbed and/or developed acres or three percent of the property. By clustering development on the southern portion of the property, the Project would provide over 450 acres of mostly undisturbed native habitat, nearly all of it Environmental Sensitive Habitat Area (ESHA), as permanently dedicated open space. This open space area includes significant ridgelines, which would be permanently protected as part of the Project and helps maintain the rural character of the Project site.

The Project would be designed to provide state-of-the-art conference and educational facilities with high-quality accommodations constructed in a manner that would blend with the surrounding environment and minimize any adverse impact to the natural environment. The buildings would be LEED™ Platinum or equivalent designed to reflect the existing mountainous and rustic character of the property. The Project design would be simple in form, function and architectural character, with the intent of complementing the surrounding rural setting. Buildings would be screened from Encinal Canyon Road and Mulholland Highway with landscaping, including mature oaks trees and other native trees. Sustainability features incorporated into the Project would minimize the consumption of natural gas and other carbon-based fuels and their associated greenhouse gas emissions.

Comment 2:

This proposed project does not provide access to a large segment of the population who will be priced out of its "public" amenities.

The Project's plans do not include any information on pricing. The fact that the proposed Project is touted as public does not mean that most members of the public will actually be able to access the amenities there. Even if the existing amenities are considered affordable today

(though a \$14 hamburger at Malibu & Vine suggests otherwise), it is likely that all costs will increase once the Developer must recoup investment and development costs.

The existing and proposed land use plans and Coastal Act strongly encourage affordable accommodations in order to provide access for persons of low and moderate income. This economic group makes up a majority of our population including the hikers and other recreational enthusiasts thought to benefit from the visitor-serving amenities of this project. Just as recently as April 2014, the California Coastal Commission denied a permit for a hotel project due to a lack of affordable visitor-serving overnight accommodations.

We ask that the Regional Planning Commission delay acting on these entitlements until the Applicant submits evidence that this resort and conference center will be accessible to persons of low and moderate income or otherwise shows proof of mitigating the impact on access for persons of low and moderate income.

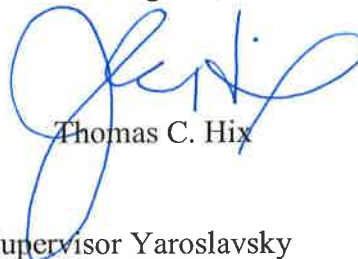
Response 2:

The Malibu Golf Club is a privately owned, public access golf course that is no longer financially viable as a stand-alone golf course. The club currently requires annual subsidies by the ownership group exceeding \$1,000,000 per year. As proposed and designed, the Project will ensure the long term viability, availability and public access to the only public access golf course in the Santa Monica Mountains. The Project's restaurant, snack bar, and other amenities would serve the needs of overnight guests while also providing access to these facilities for the public, including hikers and bicycle riders using nearby trails or the proposed Class 3 bike lane between Mulholland Highway and Pacific Coast Highway.

We have tried to meet with Ms. Melanie Luthern of UNITE HERE! Local 11, however, she has cancelled each of the five meetings we have scheduled. We look forward to working cooperatively with Ms. Luthern and organization to address their concerns as the Project moves forward.

We respectfully request your approval of the Malibu Institute project, and look forward to continuing to work cooperatively with the County for decades to come. If you have any questions, please do not hesitate to contact me at (650) 941-7514.

Best regards,



Thomas C. Hix

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